



General Assembly

Amendment

January Session, 2007

LCO No. 8573

HB0713808573SR0

Offered by:

SEN. RORABACK, 30th Dist.

REP. MINER, 66th Dist.

To: Subst. House Bill No. 7138

File No. 610

Cal. No. 487

"AN ACT CONCERNING MANUFACTURER PERMITS FOR BREW PUBS."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Subsection (e) of section 30-16 of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective from*
5 *passage*):

6 (e) (1) A manufacturer permit for a farm winery shall [be in all
7 respects the same as a manufacturer permit, except that the scope of
8 operations of the holder shall be limited to] allow the production and
9 bottling of wine and brandies distilled from grape products or other
10 fruit products, including grappa and eau-de-vie, as provided in this
11 section. As used in this section, "farm winery" means [any place or
12 premises] a winery, located on a farm and consisting of not less than
13 five acres, either owned or leased by the backer of the manufacturer
14 permit for a farm winery in the state in which wine is manufactured

15 and sold and who, together with all affiliates, produces one hundred
16 thousand gallons, or less, of wine and/or brandy per calendar year. As
17 used in this section, "affiliates" means any one of two or more persons
18 wherein there is common ownership, either fully or partially or
19 control, either directly or indirectly, of such person by one or more
20 persons, either directly or indirectly, who own an interest in or
21 controls one or more farm wineries or manufacturers of alcoholic
22 liquor. As used in this section, "person" shall mean an individual,
23 partnership, joint venture, corporation, limited liability company,
24 association, limited partnership, trust or any other form of business
25 enterprise. Nothing herein shall require any person who held a valid
26 manufacturer permit for a farm winery, on May 1, 2007, but who
27 owned or leased less than five acres as part of the farm on which the
28 farm winery was located, to: (1) Dispose of or release his or her interest
29 in any such permit or permits or shall affect his or her right to continue
30 to hold, use and renew such permits, or (2) prohibit any such person
31 from transferring his or her interest in the farm winery and allowing
32 any such transferee or any subsequent transferees from applying for
33 and obtaining, provided all requirements for the permit, other than the
34 minimum acreage requirement as provided for in this section have
35 been satisfied, a manufacturer permit for a farm winery, provided that
36 in either instance, where the farm consists of less than five acres, the
37 farm on which the farm winery is located consists of the same or
38 greater acreage of real property, either owned or leased by the backer
39 of the manufacturer permit for a farm winery which it had as of May 1,
40 2007.

41 (2) Such permit shall authorize at a single property location (A) the
42 sale in bulk by the holder thereof from the premises where the
43 products are manufactured pursuant to such permit; (B) [as to a
44 manufacturer who produces one hundred thousand gallons of wine or
45 less per year,] the sale and shipment by the holder thereof to a retailer
46 of wine manufactured by the farm winery permittee in the original
47 sealed containers of not more than fifteen gallons per container; (C) the
48 sale and shipment by the holder thereof of wine manufactured by the

49 farm winery permittee to persons outside the state; (D) the offering
50 and tasting of free samples of such wine or brandy to visitors and
51 prospective retail customers for consumption on the premises of the
52 farm winery permittee; (E) the sale at retail from the premises of sealed
53 bottles or other sealed containers of such wine or brandy for
54 consumption off the premises; (F) the sale at retail from the premises of
55 wine or brandy by the glass and bottle to visitors on the premises of
56 the farm winery permittee for consumption on the premises; and (G)
57 subject to the provisions of subdivision (3) of this subsection, the sale
58 and delivery or shipment of wine manufactured by the permittee
59 directly to a consumer in this state. Notwithstanding the provisions of
60 subparagraphs (D), (E) and (F) of this subdivision, a town may, by
61 ordinance or zoning regulation, prohibit any such offering, tasting or
62 selling at retail at premises within such town for which a manufacturer
63 permit for a farm winery has been issued.

64 (3) A permittee, when selling and shipping wine directly to a
65 consumer in this state, shall: (A) Ensure that the shipping labels on all
66 containers of wine shipped directly to a consumer in this state
67 conspicuously state the following: "CONTAINS ALCOHOL—
68 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR
69 DELIVERY"; (B) obtain the signature of a person age twenty-one or
70 older at the address prior to delivery, after requiring the signer to
71 demonstrate that he or she is age twenty-one or older by providing a
72 valid motor vehicle operator's license or a valid identity card described
73 in section 1-1h; (C) not ship more than five gallons of wine in any
74 sixty-day period to any person in this state; (D) pay, to the Department
75 of Revenue Services, all sales taxes and alcoholic beverage taxes due
76 under chapters 219 and 220 on sales of wine to consumers in this state,
77 and file, with said department, all sales tax returns and alcoholic
78 beverage tax returns relating to such sales; (E) report to the
79 Department of Consumer Protection a separate and complete record of
80 all sales and shipments to consumers in the state, on a ledger sheet or
81 similar form which readily presents a chronological account of such
82 permittee's dealings with each such consumer; (F) not ship to any

83 address in the state where the sale of alcoholic liquor is prohibited by
84 local option pursuant to section 30-9; and (G) hold an in-state
85 transporter's permit pursuant to section 30-19f or make any such
86 shipment through the use of a person who holds such an in-state
87 transporter's permit.

88 (4) No licensed farm winery may sell any such wine or brandy not
89 manufactured by such winery, except a licensed farm winery may sell
90 from the premises wine manufactured by another farm winery located
91 in this state.

92 (5) The farm winery permittee shall grow and produce on the farm
93 winery permit premises [of the farm winery or on property adjacent to
94 and under the same ownership and control of said permittee within
95 the state] an average crop of fruit equal to not less than twenty-five per
96 cent of the fruit used in the manufacture of the farm winery permittee's
97 wine. An average crop shall be defined each year as the average yield
98 of the farm winery permittee's two largest annual crops out of the
99 preceding five years, except that during the first seven years from the
100 date of issuance of a farm winery permit, an average crop shall be
101 defined as three tons of grapes for each acre of vineyard farmed by the
102 farm winery permittee. As used in this section, "farm winery permit
103 premises" means real property located in this state as described in the
104 property description set forth in the farm winery application for a
105 basic federal permit, as approved by the Alcohol and Tobacco Tax and
106 Trade Bureau of the United States Department of the Treasury. A copy
107 of such basic federal permit shall be filed with the Department of
108 Consumer Protection.

109 (6) A holder of a manufacturer permit for a farm winery, when
110 advertising or offering wine for direct shipment to a consumer in this
111 state via the Internet or any other on-line computer network, shall
112 clearly and conspicuously state such liquor permit number in its
113 advertising.

114 (7) The annual fee for a manufacturer permit for a farm winery shall

115 be two hundred forty dollars.

116 Sec. 502. Subsection (a) of section 30-18 of the general statutes is
117 repealed and the following is substituted in lieu thereof (*Effective*
118 *(Effective from passage)*):

119 (a) An out-of-state shipper's permit for alcoholic liquor other than
120 beer shall allow the sale of such alcoholic liquor to manufacturer and
121 wholesaler permittees in this state as permitted by law and, as to any
122 out-of-state shipper operating a farm winery, [who produces not more
123 than one hundred thousand gallons of wine per year,] the sale and
124 shipment by the holder thereof to a [retailer] retail permittee of wine
125 manufactured by such permittee on the permitted premises in the
126 original sealed containers of not more than fifteen gallons per
127 container. The permit premises of an out-of-state shipper's permit for
128 alcoholic liquor may be located within this state or outside this state.
129 The annual fee for an out-of-state shipper's permit for alcoholic liquor
130 other than beer shall be forty-five dollars for a Connecticut
131 manufacturer or wholesaler holding such a permit and shall be one
132 thousand dollars for any other person holding such a permit. For
133 purposes of this subsection, "farm winery" means any place or
134 premises, located on a farm in which wine is manufactured and sold
135 provided not less than twenty-five per cent of the fruit used in the
136 manufacture of such wine is produced on such farm.

137 Sec. 503. Subsection (a) of section 30-18a of the general statutes is
138 repealed and the following is substituted in lieu thereof (*Effective from*
139 *passage*):

140 (a) An out-of-state winery shipper's permit for wine shall allow the
141 sale of wine to manufacturer and wholesaler permittees in this state as
142 permitted by law and for those out-of-state shippers that [produce not
143 more than one hundred thousand gallons of wine per year] operate a
144 farm winery, the sale and shipment by the holder thereof to a retailer
145 of wine manufactured by such permittee in the original sealed
146 containers of not more than fifteen gallons per container. For purposes

147 of this section, farm winery shall have the meaning provided in section
148 30-18, as amended by this act."